

Executive Officers



Sun Life Assurance Company of Canada 102nd Annual Report

Alistair M. Campbell, F.I.A., F.S.A., Chairman
Thomas M. Galt, F.S.A., President
George F. S. Clarke, F.S.A., Executive Vice-President
W. G. Attridge, Senior Vice-President, Agencies
C. L. Flavell, Senior Vice-President, Administration
W. J. McCarthy, Senior Vice-President, Finance
Hugh McLeod, F.S.A., Senior Vice-President & Chief Actuary
S. J. Gowdy, Vice-President, Personnel
P. R. MacGibbon, Vice-President & Secretary
A. G. McCracken, Vice-President & General Counsel
A. C. M. Robertson, F.F.A., Vice-President, Group
D. H. Woodhouse, M.D., Vice-President & Medical Director
J. T. Bradbury, F.L.M.I., Executive Officer, Administration
H. R. Facey, Director of Group Sales
F. H. Frizzell, Director of Agencies
D. L. Gauer, F.S.A., Actuary
G. A. Golden, M.A.I., Executive Officer, Property Investments
J. H. Harrison, Treasurer
W. A. Keltie, F.S.A., Underwriting Executive
J. W. Parkinson, C.G.A., Comptroller
O. A. Reed, F.S.A., Group Actuary

Notice of Annual Meeting

The Annual General Meeting of Sun Life Assurance Company of Canada is held at its Head Office in Montreal at half past two o'clock in the afternoon on the second Tuesday in February of each year. Policyholders are cordially invited to be present.

Every person who has contracted with the Company for a participating policy, and who holds such a policy which is in force, is a member of the Company and is entitled to attend and to vote in person or by proxy at general meetings of the Company. Any policyholder who qualifies as a member may obtain a blank form of proxy on request therefor in writing to the Secretary of the Company.

The Company offers a full range of life and disability income insurance and pension services to individuals and groups. Our field force comprises men and women trained to provide this service, who look to serve their policyholders in the best way they can. For information about the Company's products and services listed below, please call any of our representatives. They will be glad to help you.

Individual Plans

In addition to a complete line of regular Whole and Term Life and Endowment insurance plans, Sun Life offers the following:

Sun Life's **Electronic Family Security Program**, utilizing the Company's modern computer facilities, permits the flexible planning of family life insurance and savings goals according to individual needs and resources.

Sun Fund annuity policies are designed to complement a program of permanent life insurance and offer participation in an investment fund that is geared for growth.

Many Sun Life plans qualify for registration as **Registered Retirement Savings Plans. RRSP** permits the saving of pre-tax dollars for retirement by deferring the tax on a portion of current earnings until a time when an individual's income tax bracket may be substantially lower.

Disability Sun Income is a practical and comprehensive income protection plan designed to provide a regular monthly income in the event of disabling illness or injury.

Group Plans

Sun Life is among the leaders in group life and health insurance and group pensions, serving the holders of over three million group certificates.

Sun Life Service in Canada

Regional Service Centres

Alberta

M. K. Lowe, F.L.M.I.
Edmonton

Atlantic

F. M. Gribben, F.L.M.I.
Halifax

British Columbia

J. W. Kirkland, F.L.M.I.
Vancouver

Montreal

Gaëtan Thérien

Ottawa

R. E. Parent

Quebec City

Maurice Vallée

Toronto

H. W. Gustafson

Winnipeg

K. M. Best

Branch Offices

70 Branches

Barrie

D. C. Barrett, C.L.U.

Brandon

G. S. Shoemaker

Calgary (Two Branches)

Bow River

M. L. Houghton

Foothills

J. J. Driscoll, C.L.U.

Chicoutimi

Jean-Marc Gauthier

Cornwall

J. S. McMahon

Edmonton (Four Branches)

Capital

I. G. Levagood

Empire

H. W. Neufeld

Fort

T. W. McColm

Jasper

L. D. Barclay, C.L.U.

Halifax

J. W. Mitchell

Hamilton

Central

L. J. McCosham, C.L.U.

Kingston

David J. Day, C.L.U.

Kitchener-Waterloo

M. L. Lund

Lethbridge

G. Floberg

London

L. G. Bentley

Moncton

R. G. Smalley

Montreal (Fifteen Branches)

Cartier

Jean-Paul Chauvin, C.L.U.

Cavendish

Jean-Jacques Poirier

Décarie

Emile Frégeau

Lafontaine

Charles Poulin, C.L.U.

Lakeshore

J. C. Boyd

Maisonneuve

K. G. Howard, C.L.U.

Mansfield

J. M. Chernin

Montreal Brokerage

Guy Bellemare, C.L.U.

Place d'Armes

Vianney Joannette

Queen Mary

Tibor Boros

St. James

J. B. J. Wansink, C.L.U.

Snowdon

L. Rodman, C.L.U.

South Shore

T. Abboud, C.L.U.

Van Horne

M. Bauer

Westmount

C. L. Jeffrey, C.L.U.

New Westminster

P. A. Dechaine, C.L.U.

Ottawa (Two Branches)

Parkway

A. W. Ranger

Rideau

J. G. Chesser

Penticton

O. G. Jahnke

Peterborough

C. E. McColl

Prince George

L. J. Tournier, C.L.U.

Quebec City

(Two Branches)

Champlain

Jacques A. Thivierge, C.L.U.

Ste-Foy

Dominique Perreault, C.L.U.

Regina

G. J. Ferguson

Richelieu-Yamaska

Fernand Racine, C.L.U.

Rimouski

Fernand Therrien, C.L.U.

Rouyn-Noranda

Gilles Lejeune

Saint John

R. S. Cotterell

Saskatoon

F. M. Wilchuck, C.L.U.

Sept-Îles

Reginald Jarnet

Sherbrooke

Georges A. St-Pierre

St. Catharines

R. Lewis

St-Jérôme

Jean-Guy Roy, C.L.U.

St. John's, Nfld.

A. O. Knight

Sudbury

L. A. MacKay, C.L.U.

Sydney

R. M. Beaton

Thunder Bay

W. J. Campbell, C.L.U.

Toronto (Nine Branches)

Bay

I. Pitch, C.L.U.

High Park

A. Sgroi, C.L.U.

Queen

R. H. Anderson, C.L.U.

Royal

H. C. West, C.L.U.

Scarborough

J. T. Gray, C.L.U.

Tower

B. R. Davis

University

H. S. Alexander

Yonge

H. K. Daues

York

R. M. Earle, C.L.U.

Trois-Rivières

Léo Brunelle, C.L.U.

Vancouver (Two Branches)

Arbutus

D. D. Eyford, C.L.U.

Central

D. E. Hart, C.L.U.

Victoria

D. Oswell

Windsor

R. C. Crowe

Winnipeg (Two Branches)

Assiniboine

A. J. McDonald

Red River

G. E. Milliken

Employee Benefit Service Branch

Toronto

M. J. Holland

Group Division

10 Offices

Calgary

D. C. Ferguson

Edmonton

K. C. Swan

Halifax

M. L. Silver

Hamilton

R. W. Armstrong

Montreal

A. G. S. Arnot

Ottawa

G. E. Davis

Quebec City

Pierre S. Tremblay

Toronto

E. S. Stuart

Vancouver

J. A. Boland

Winnipeg

V. Klassen

Property Investments Department

Calgary

F. E. Van Arnem

Edmonton

P. J. Grant

Halifax

J. A. Snyder

Hamilton

W. C. Mungar

Montreal

Ronald R. Bombardier

Ottawa

D. J. Chard

Quebec City

Gilles Champagne

Toronto

W. L. Gilliland, M.A.I.

Vancouver

R. J. W. Wright

Winnipeg

C. W. L. Horn

Health Insurance Claims Offices

Montreal

J. N. Manners

Toronto

D. A. Wisken

Winnipeg

B. P. Hunt

Financial Statement for the year 1972

Sun Life Assurance Company of Canada

At the end of the year 1972		
We held assets		
Bonds — Government, municipal, public utility and other		\$1,514,996,519
Stocks — Preferred		22,088,069
Stocks — Common		440,395,699
Mortgage loans on homes, industrial plants, etc.		1,133,620,447
Real estate — Company buildings		22,871,394
Real estate — Held for investment		178,286,294
Loans to policyholders on their policies		222,381,789
Investment in subsidiary life insurance and other related companies		10,500,000
Outstanding premiums		28,509,069
Interest and rents due and accrued		49,638,273
Cash		20,487,556
Other assets		12,539,378
Variable accumulation and other segregated fund assets		417,879,236
		\$4,074,193,723
To meet liabilities		
Actuarial liabilities:		
Insurance — Life and Health	\$1,881,234,777	
Annuities	806,233,748	
		\$2,687,468,525
Policy proceeds and other amounts left at interest for future distribution to policyholders and beneficiaries	285,744,207	
Reserves on Company pension plans	24,391,238	
Policy benefits in process of payment and provision for unreported claims	65,253,225	
Provision for dividends payable to policyholders during the ensuing year	84,611,672	
Taxes and expenses due and accrued	8,784,368	
Miscellaneous liabilities	35,488,417	
Variable accumulation and other segregated fund policy liabilities	417,053,420	
Reserve for fluctuation in security values	106,000,000	
Surplus	359,398,651	
		\$4,074,193,723

Note: The securities are carried and shown in the financial statement at book values. The total book value of the bonds and stocks is less than the total of the market values prescribed by the insurance law of Canada.

Auditors' Report

The Directors, Sun Life Assurance Company of Canada

We have examined the statement of assets and liabilities of Sun Life Assurance Company of Canada as at December 31, 1972 and the statement of income and expenditure for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary. The

During the year 1972		
We received		
Premiums for insurances — Life	\$332,101,721	
— Health	28,002,290	
		\$360,104,011
Premiums for annuities		37,316,973
Policy proceeds and other amounts left at interest for future distribution to policyholders and beneficiaries		50,344,882
Interest, dividends and rents		233,021,833
Net gain from the sale and redemption of securities after adjustment of asset values and after deduction of \$1,395,200 for capital gains tax		3,036,437
Variable accumulation and other segregated fund deposits and other income		122,148,593
		\$805,972,729
And distributed in		
Payments to policyholders and beneficiaries:		
Death benefits	\$ 94,888,690	
Disability benefits	3,237,606	
Matured endowments	33,571,919	
Annuity payments	22,252,485	
Dividends	80,551,272	
Surrender values	81,615,278	
Health insurance benefits	24,892,283	
Variable accumulation and other segregated fund payments	9,381,719	
		\$350,391,252
Payments of policy proceeds and other amounts previously left at interest		60,407,953
Additions to policy liabilities required for future payments to policyholders and beneficiaries		142,627,888
Variable accumulation and other segregated fund increase and expenses		112,602,741
Agency commissions		26,622,236
Operating expenses		74,708,967
Government taxes		23,315,809
Addition to reserve for fluctuation in security values		3,000,000
Increase in surplus		12,295,883
		\$805,972,729

Company's securities were verified by certificates obtained from depositaries or by personal inspection. We have relied on the certificate of the Company's Actuary as to the actuarial liabilities under insurance and annuity contracts.

In our opinion, based on the books of the Company, the explanations we received, and all other information available to us, including the aforementioned certificate prepared by the Company's Actuary, the attached statements of assets and

liabilities and income and expenditure present fairly the financial position of the Company as at December 31, 1972 and the results of its operations during the year then ended on a basis consistent with that of the preceding year.

(Signed) Touche Ross & Co.,
Chartered Accountants.

Montreal, Que., February 2, 1973.

Report to Policyholders

of Sun Life
Assurance Company
of Canada
Head Office
Montreal

We are pleased to report that the Company's operations in 1972 were most satisfactory. New business records were established and good financial results achieved.

New Business and Business in Force

During the year \$2,586 million of life insurance was purchased from the Company, 24% more than in 1971. Of the total, \$1,644 million was individual and \$942 million group.

Life insurance in force at year-end was \$21,612 million of which \$11,269 million was individual and \$10,343 million group.

Substantial gains were made in the Company's regular pension and health insurance business. Sales of Variable Accumulation group policies, Sun Fund individual equity-linked plans in Canada and of the Company-sponsored mutual fund in the United States — Sun Growth Fund — were all satisfactory.

Total premiums for life, health and annuity policies amounted to \$397 million and deposits to Variable Accumulation and other segregated funds were \$62 million.

Benefit Payments

Payments to policyholders, beneficiaries and annuitants in 1972 were \$350 million, \$15 million more than in 1971. Two-thirds of this amount was paid to living policyholders and annuitants. The main causes of death were disease of the heart and circulatory system, cancer and accidents.

Administration

An important concern in 1972 was to control overall costs while maintaining and improving the services which the Company provides. Significant progress was made during 1972 as our operating expenses increased by less than \$2 million over the previous year. In line with this program we have been converting our proce-



Alistair M. Campbell,
Chairman



Thomas M. Galt,
President

dures to new and more powerful electronic equipment. In 1972 we completed the major job, converting the records for our million individual policies in North America. Our latest computer system will allow more scope for expansion and future improvements in service.

Finances

Assets increased by \$200 million to \$4,074 million.

The rate of return earned on the Company's assets increased from 6.52% in 1971 to 6.66% in 1972. The net rate, after taking into account investment expenses, was 6.41%. The rate of return represents the composite return on the Company's investments in the various countries where it operates.

Earnings for the year from normal insurance operations amounted to \$98,580,000, an increase of \$5,161,000 over 1971 earnings. The increase in surplus for the year was \$12,296,000.

Dividends

The scale of dividends to individual participating policyholders in all territories in which we operate will be maintained at the same rate in 1973 as in 1972. In 1973 the Company expects to pay \$84.6 million in dividends to individual and group policyholders.

Directors

At the Annual Meeting Dr. Claude Bertrand, C.C. and Mr. J. K. Finlayson, Deputy Chairman and Executive Vice-President of The Royal Bank of Canada, were elected directors of the Company.

1973

Much credit for the good results achieved by the Company in 1972 is due to the dedicated work of our staff and field force who look forward to continuing a high level of service to policyholders. We expect another year of progress in 1973.

Alistair M. Campbell,
Chairman.

Thomas M. Galt,
President.

If you would like to have the complete text of the Chairman's and the President's remarks at the Annual Meeting, a copy will gladly be sent on request to Head Office, or to any Branch Office of the Company from coast to coast.

The Directors

Alistair M. Campbell, F.I.A., F.S.A.
Chairman

Thomas M. Galt, F.S.A.
President

E. R. Alexander
Vice-Chairman of the Board, Gaz Métropolitain, Inc.

Claude Bertrand, C.C., M.D.
Chief Emeritus, Department of Neurosurgery
Hôpital Notre-Dame, Montreal

Sir George Bolton, K.C.M.G.
Chairman, Commonwealth Development Finance Company Limited

Frank M. Covert, O.B.E., D.F.C., Q.C.
Senior Partner, Stewart, MacKeen & Covert

Albert L. Fairley, Jr.
President, Hollinger Mines Limited

J. K. Finlayson
Deputy Chairman and Executive Vice-President
The Royal Bank of Canada

G. Arnold Hart, M.B.E., LL.D., D.C.L., D.C.Sc.
Chairman of the Board and Chief Executive Officer, Bank of Montreal

Louis Hébert
Chairman of the Board and President, Banque Canadienne Nationale

G. W. Humphrey
Chairman of the Board, The Hanna Mining Company

Howard J. Lang, P.Eng.
Chairman and Chief Executive Officer, Canron Limited

Herbert H. Lank
Director, Du Pont of Canada Limited

Hon. Hartland deM. Molson, O.B.E.
Chairman, Molson Industries Limited

Alfred Powis
President and Chief Executive Officer, Noranda Mines Ltd.

V. W. T. Scully, C.M.G.
Chairman of the Executive Committee of the Board
The Steel Company of Canada, Limited

Ian D. Sinclair, Q.C.
Chairman and Chief Executive Officer, Canadian Pacific Limited

Hon. James Sinclair, P.C.
Deputy Chairman, Canada Cement Lafarge Ltd.

J. Herbert Smith, P.Eng., D.Sc.
Director, Canadian Imperial Bank of Commerce

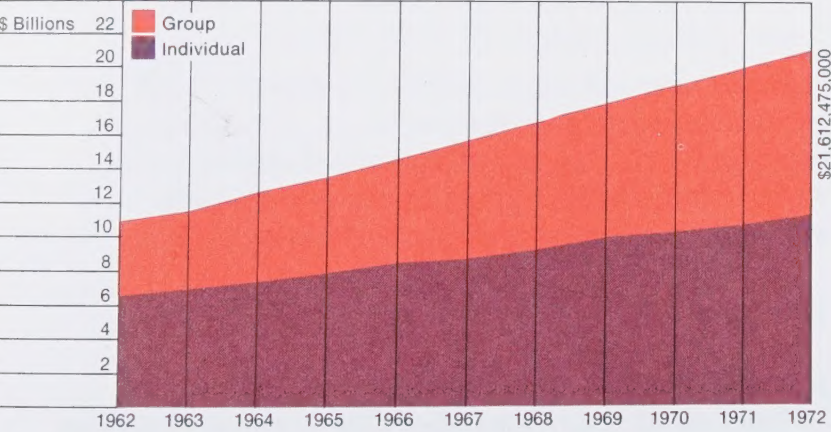
John A. Tory, Q.C.
Partner, Tory, Tory, Deslauriers & Binnington

Colin W. Webster
Vice-Chairman of the Board, Canadian Fuel Marketers Ltd.

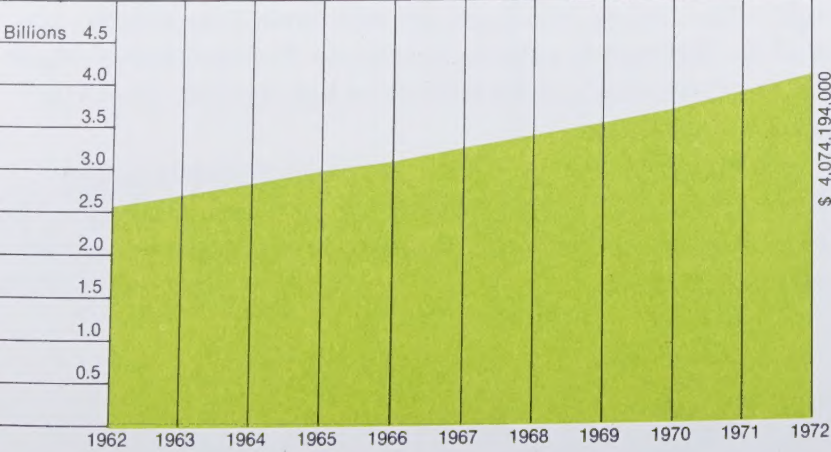
Sun Life Growth 1962-1972

	1962	1971	1972
Total Payments to Policyholders and Beneficiaries	\$ 199,885,000	\$ 334,765,000	\$ 350,391,000
Dividends to Policyholders	\$ 44,683,000	\$ 78,215,000	\$ 80,551,000
Assets, December 31st	\$ 2,583,034,000	\$ 3,874,400,000	\$ 4,074,194,000
Earned Interest Rate			
Gross	5.11%	6.52%	6.66%
Total Income	\$ 412,745,000	\$ 775,682,000	\$ 805,973,000
New Life Insurance			
Individual	\$ 784,887,000	\$ 1,475,841,000	\$ 1,643,722,000
Group	343,554,000	602,421,000	942,263,000
Total	\$ 1,128,441,000	\$ 2,078,262,000	\$ 2,585,985,000
Life Insurance in Force, December 31st			
Individual	\$ 6,575,063,000	\$10,697,476,000	\$11,268,936,000
Group	4,265,660,000	9,270,567,000	10,343,539,000
Total	\$10,840,723,000	\$19,968,043,000	\$21,612,475,000
Variable Accumulation and other Segregated Fund Assets	\$ 3,444,000	\$ 310,801,000	\$ 417,879,000

Life Insurance in Force



Assets



New Life Insurance

